

SUMTER COUNTY BOARD OF COMMISSIONERS
EXECUTIVE SUMMARY

SUBJECT: Florida Housing Finance Corporation (FHFC) Hardest Hit Program Contract
Cancellation (Staff recommends approval).

REQUESTED ACTION: Cancel Contract with FHFC and Return \$2,400 to FHFC.

☐ Work Session (Report Only) **DATE OF MEETING:** 6/14/2011
☒ Regular Meeting ☐ Special Meeting

CONTRACT: ☐ N/A Vendor/Entity: FHFC
Effective Date: 2/17/11 Termination Date: 2/16/13
Managing Division / Dept: Housing Department

BUDGET IMPACT: \$-2,400.00 approximate decrease to Housing's administrative funds in
FY 2011/12

☐ Annual **FUNDING SOURCE:** FHFC
☐ Capital **EXPENDITURE ACCOUNT:** TBD
☒ N/A

HISTORY/FACTS/ISSUES:

In January 2010, US Treasury (Treasury) created the "Housing Finance Agency (HFA) Innovation Fund for the Hardest-Hit Housing Markets" (HFA Hardest-Hit Fund) and allocated funds under the Emergency Economic Stabilization Act of 2008 (EESA) to five states: Arizona, California, Florida, Michigan and Nevada because of their excessive housing market depreciation and to assist in foreclosure prevention efforts. To date, Florida's total award amount is over \$1 billion.

Sumter County received the initial \$2,400 one-time start-up payment upon execution of contract which was signed by the Board on February 8, 2011 and the program was initiated state-wide on April 18, 2011. The deferred payment mortgages for unemployed or underemployed homeowners were reduced from \$35,000 to \$12,000 and homeowners are now required to pay 25% of their income towards the mortgage balance due, reducing the number of families eligible to meet the program guidelines.

Since the program started in April 2011, no families in Sumter County have qualified for the program and the County has not expended any of the \$2,400 from FHFC.

With the significant change in the program, Staff recommends the initial funds in the amount of \$2,400 be returned to Florida Housing Finance Corporation (FHFC) and the contract canceled.

Staff has been in contact with FHFC. FHFC has agreed to rescind the contract (copy of cancelation attached).

Staff requests the contract (attached) be canceled by the Board and funds in the amount of \$2,400 be returned to Florida Housing Finance Corporation.

**TERMINATION AGREEMENT
CONTRACT FOR
HHF ADVISOR SERVICES FOR THE HFA HARDEST HIT FUND UNEMPLOYMENT MORTGAGE ASSISTANCE
PROGRAM AND MORTGAGE LOAN REINSTATEMENT PROGRAM
BETWEEN
FLORIDA HOUSING FINANCE CORPORATION
AND
SUMTER COUNTY BOARD OF COUNTY COMMISSIONERS**

This Termination Agreement (this "Agreement") is entered into by and between the FLORIDA HOUSING FINANCE CORPORATION ("Florida Housing"), a public corporation and a public body corporate and politic, with headquarters located at 227 North Bronough Street, Suite 5000, Tallahassee, Florida, 32301, and SUMTER COUNTY BOARD OF COUNTY COMMISSIONERS ("HHF Advisor") located at 7375 Powell Road, Wildwood, Florida 34785. This Agreement is effective on the date the last party signs it (the "Effective Date").

RECITALS

A. Florida Housing and the HHF Advisor entered into a Contract for Hardest Hit Fund (HHF) Advisor Services for the HFA Hardest Hit Fund Unemployment Mortgage Assistance Program (UMAP) and Mortgage Loan Reinstatement Program (MLRP) #2010-07-02-001 with an effective date of February 17, 2011 (the "Contract").

B. The HHF Advisor has requested that the Contract be terminated.

C. The HHF Advisor has rendered no services and has received no requests for assistance under the Contract since its execution; and, in connection with the termination request, has agreed to refund to Florida Housing the initial one-time start-up payment of \$2,400.00 that was previously paid to the HHF Advisor by Florida Housing upon execution of the Contract.

D. Florida Housing has agreed to the termination of the Contract under the circumstances described and as further provided herein.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the parties agree as follows:

1. RECITALS. The Recitals are true and correct and form a part of this Agreement.
2. TERMINATION OF CONTRACT. The Contract is terminated effective upon the Effective Date of this Agreement or upon receipt by Florida Housing of the \$2,400.00 refund payment described in C. above, whichever event shall last occur.
3. LAW AND VENUE. This Agreement shall be governed by the laws of Florida and venue for any actions arising out of this Agreement shall lie in Leon County.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their undersigned representatives as duly authorized.

By: _____
Name: _____
Title: _____

FEIN: 59-6000865

DATE: _____

FLORIDA HOUSING FINANCE CORPORATION

By: _____
Name: Stephen P. Auger
Title: Executive Director

DATE: _____